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## VIA OVERNIGHT DELIVERY

September 19, 2016

Ms. Talina Rose Matthews Executive Director Kentucky Public Service Commission 211 Sower Blvd Frankfurt, KY 40601 RECEIVED

SEP 20 2016

PUBLIC SERVICE COMMISSION

Re:

Case No. 2016-00159

In the Matter of the Application of Duke Energy Kentucky, Inc. for Approval to Establish a Regulatory Asset

Dear Ms. Matthews:

Pursuant to the July 22, 2016 Order in the above-referenced case which requires Duke Energy Kentucky, Inc. (Duke Energy Kentucky or the Company) within 14 days of the date of completing the MAOP pressure testing to file those results with the Commission. Due to an internal oversight, the results were not timely and properly communicated when the testing was completed. Accordingly, Duke Energy Kentucky now hereby submits the MAOP pressure testing results.

In addition, please find enclosed one copy of Duke Energy Kentucky, Inc.'s Petition for Confidential Treatment. Also enclosed in the white envelope is one (1) paper copy of the confidential document being filed under seal.

Please date-stamp the two copies of the letter and the petition and return to me in the enclosed return envelope.

Respectfully submitted,

Rocco D'Ascenzo (92796)

Associate General Counsel Duke Energy Kentucky, Inc.

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Counsel for Duke Energy Kentucky, Inc.

RECEIVED

## COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

SEP 20 2016

In the Matter of the Application of  Duke Energy Kentucky, Inc. for Authority  to Establish a Regulatory Asset  )  Case 1	COMMISSION No. 2016-00159
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## PETITION OF DUKE ENERGY KENTUCKY, INC. FOR CONFIDENTIAL TREATMENT OF INFORMATION CONTAINED IN ITS MAOP PRESSURE TEST RESULTS

Duke Energy Kentucky, Inc. (Duke Energy Kentucky or Company), pursuant to 807 KAR 5:001, Section 13, respectfully requests the Commission to classify and protect certain information provided by Duke Energy Kentucky in its MAOP pressure testing results (Results), as requested by Commission Staff (Staff) in this case on July 22, 2016. The information included in the Results for which Duke Energy Kentucky now seeks confidential treatment (Confidential Information) includes detailed information regarding critical infrastructure necessary to deliver safe and reliable gas service to its consumers. The public release of this information would create a security risk for both the Company and its customers.

In support of this Petition, Duke Energy Kentucky states:

1. The Kentucky Open Records Act exempts from disclosure certain commercial information. KRS 61.878(1)(c). To qualify for this exemption and, therefore, maintain the confidentiality of the information, a party must establish that disclosure of the commercial information would permit an unfair advantage to competitors of that party. Public disclosure of the information identified herein would, in fact, prompt such a result for the reasons set forth below.

- 2. Duke Energy Kentucky requests confidential treatment for the Results as these reports show critical infrastructure information. This information needs to be kept confidential in order to continue to provide delivery of safe and reliable gas service to Duke Energy Kentucky customers. The release of this information would provide a security risk for the Company and its customers.
- 3. The information for which Duke Energy Kentucky is seeking confidential treatment was developed internally by Duke Energy Corporation personnel, is not on file with any public agency, and is not available from any commercial or other source outside Duke Energy Kentucky or its applicable regulated utility affiliates. The aforementioned information is distributed within Duke Energy Corporation only to those employees who must have access for business reasons, and is generally recognized as confidential and proprietary in the gas industry.
- 4. Duke Energy Kentucky does not object to limited disclosure of the confidential information described herein, pursuant to an acceptable protective agreement, the Staff or other intervenors with a legitimate interest in reviewing the same for the purpose of participating in this case.
- 5. This information was, and remains, integral to Duke Energy Kentucky's effective execution of business decisions, not to mention that of its sister utilities across six state jurisdictions. And such information is generally regarded as confidential or proprietary. Indeed, as the Kentucky Supreme Court has found, "information concerning the inner workings of a corporation is 'generally accepted as confidential or proprietary." *Hoy v. Kentucky Industrial Revitalization Authority*, Ky., 904 S.W.2d 766, 768 (Ky. 1995).

- 6. In accordance with the provisions of 807 KAR 5:001, Section 13(3), the Company is filing one copy of the Confidential Information separately under seal, and one copy without the confidential information included.
- 7. Given the sensitive nature of this information, including the location of critical utility infrastructure, Duke Energy Kentucky respectfully requests that the Confidential Information be withheld from public disclosure indefinitely and until the facilities at issue are no longer in service. This will assure that the Confidential Information if disclosed after that time will no longer be commercially sensitive so as to likely impair the interests of the Company or its customers if publicly disclosed.
- 8. To the extent the Confidential information becomes generally available to the public, whether through filings required by other agencies or otherwise, Duke Energy Kentucky will notify the Commission and have its confidential status removed, pursuant to 807 KAR 5:001 Section 13(10)(a).

WHEREFORE, Duke Energy Kentucky, Inc., respectfully requests that the Commission classify and protect as confidential the specific information described herein.

Respectfully submitted,

Røcco O. D'Ascenzo

Associate General Counsel

Amy B. Spiller

Deputy General Counsel

Duke Energy Business Services, LLC

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Counsel for Duke Energy Kentucky, Inc.

## **CERTIFICATE OF SERVICE**

This is to certify that a copy of the foregoing Petition of Duke Energy Kentucky, Inc. has been served via electronic mail to the following party on this 19th day of September 2016.

Rocco O. D'Ascenzo

Rebecca W. Goodman
Executive Director
Office of Rate Intervention
Office of the Attorney General
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